

## **REMARKS**

Claims 1, 4-10, 13, 16-22, 25, and 28-34 are pending in the application.

Claims 1, 4-10, 13, 16-22, 25, and 28-34 are currently amended and claims 2, 3, 11, 12, 14, 15, 23, 24, 26, 27, 35, and 36 are canceled. Applicants respectfully submit that no new matter is added to currently amended claims 1, 4-10, 13, 16-22, 25, and 28-34.

Claims 1-36 stand rejected under 35 U.S.C. §102(e) as anticipated by U.S. Patent No. 6,980,962 to Arganbright et al., hereinafter, Arganbright.

Applicants respectfully traverse the rejection based on the following discussion.

### **I. The 35 U.S.C. 102(e) Rejection over Arganbright**

#### **A. The Arganbright Disclosure**

Arganbright discloses that a client 40 may also have exposure to only a subset of the total core product and catalog lines. Clients 40 may be personally referred by IBO (Independent Business Owner] 10 or Member Plus 20. Unsolicited referrals will be preferably offered Client 40 status and assigned to the appropriate IBO 10 as will be described below. Clients 40 may be serviced either directly by IBO 10 or Member Plus 20, or a merchant partner. (col. 29, lines 50-59, which are cited by the Office Action).

Arganbright also discloses that a data warehouse is a central repository for all or significant parts of the data that an enterprise's various business systems collect. Typically, a data warehouse is housed on an enterprise mainframe server. Data from various online transaction processing (OLTP) applications and other sources is selectively extracted and organized on the data warehouse database for useful analysis and access, but does not generally start from the point-of-view of the end user or knowledge worker who may need access to specialized, sometimes local databases. (col. 15, lines 55-67, which are cited by the Office Action).

Arganbright further discloses that his invention provides opportunities for mass merchandising and targeted marketing. His invention allows business owners and the marketing company to gain a greater market share in particular product segments. His invention also

provides opportunities to identify new market segments so that new products and services may be produced to satisfy these new market segments. In addition, by building customer profiles and personalizing messages to individual customers, his invention allows the marketing company to increase sales of the existing products to current customers. (col. 10, lines 54-60, which are cited by the Office Action).

Arganbright yet further discloses that by analogy, a Client preferably purchases products or services at a retail price from, for example, a retail department store, whereas an IBO purchases products or services from, for example, a distribution warehouse at a wholesale price. A Client preferably has exposure to a subset of the total core product and catalog lines for browsing, but may be shown all products if the SKU or identification number, or the exact brand name is known for a particular product and is searched for. Moreover, a Client is preferably not eligible to earn compensation or bonus income. The site provides an amusing and efficient place for Clients to shop, as product favorites may be continually target-marketed to the Client based upon their buying habits. Further, a Client is preferably exposed to specials and other deals to entice them to become Members of the marketing system. (col. 27, lines 1-15, which are cited by the Office Action).

## **2. Arguments**

Currently amended, independent claims 1 and 25 recite in relevant part,  
"selecting a particular transaction from said all online transactions;  
identifying a particular node of said SOB tree, associated with said particular transaction  
by an identified customer;  
identifying a parent node of said particular node of said SOB tree;  
for each descendent node of said parent node, determining an applicability of a specific  
promotional tool to a particular category of items, based on said past transactions; and  
outputting, to said merchant, a specific promotional tool to a particular category of items  
for a customer associated with said parent node, based on each applicability of a specific  
promotional tool to a particular category of items for each customer associated with each  
descendent node".

Similarly, currently amended, independent claim 13 recites in relevant part,  
"a processor configured to:

...

select a particular transaction from said all online transactions;

identify a particular node of said SOB tree, associated with said particular transaction by an identified customer;

identify a parent node of said particular node of said SOB tree;

for each descendent node of said parent node, determine an applicability of a specific promotional tool to a particular category of items, based on said past transactions; and

output, to said merchant, a specific promotional tool to a particular category of items for a customer associated with said parent node, based on each applicability of a specific promotional tool to a particular category of items for each customer associated with each descendent node".

Arganbright merely discloses a system and method for combining a marketing business with a membership buying opportunity, so that Independent Business Owners participating in the marketing plan can introduce customers to a membership buying opportunity and earn bonuses or commissions based on the purchases by those members, while Members in the buying opportunity can consume products or, at their option, qualify to become Independent Business Owners. (Please see, Abstract, lines10-18).

Although Arganbright collects data related to various transactions of the business enterprises, Arganbright fails to organize the data into a "tree" structure that may be analyzed to provide, to a merchant, a specific promotional tool to a particular category of items for a customer associated with a parent node of the "tree", based on each applicability of a specific promotional tool to a particular category of items for each customer associated with each descendent node of the "tree", as does the present invention.

In addition, Arganbright fails to disclose, teach or suggest at least the present invention's features of: 1) selecting a particular transaction from all online transactions and identifying a particular node of the SOB tree, associated with the particular transaction by an identified

customer; 2) identifying a parent node of the particular node of the SOB tree (since Arganbright does not disclose analyzing any tree structure); and 3) for each descendent node of the parent node, determining an applicability of a specific promotional tool to a particular category of items, based on the past transactions (again, since Arganbright does not disclose analyzing any tree structure).

For at least the reasons outlined above, Applicants respectfully submit that Arganbright does not disclose, teach or suggest at least the present invention's features of: "selecting a particular transaction from said all online transactions; identifying a particular node of said SOB tree, associated with said particular transaction by an identified customer; identifying a parent node of said particular node of said SOB tree; for each descendent node of said parent node, determining an applicability of a specific promotional tool to a particular category of items, based on said past transactions; and outputting, to said merchant, a specific promotional tool to a particular category of items for a customer associated with said parent node, based on each applicability of a specific promotional tool to a particular category of items for each customer associated with each descendent node", as recited in currently amended, independent claim 1 and 25; and "a processor configured to: ... select a particular transaction from said all online transactions; identify a particular node of said SOB tree, associated with said particular transaction by an identified customer; identify a parent node of said particular node of said SOB tree; for each descendent node of said parent node, determine an applicability of a specific promotional tool to a particular category of items, based on said past transactions; and output, to said merchant, a specific promotional tool to a particular category of items for a customer associated with said parent node, based on each applicability of a specific promotional tool to a particular category of items for each customer associated with each descendent node", as recited in currently amended, independent claim 13. Accordingly, Arganbright fails to anticipate the subject matter of currently amended, independent claims 1, 13, and 25, and dependent claims 4-10, 16-22, and 28-34 under 35 U.S.C. §102(e). The rejection of canceled claims 2, 3, 11, 12, 14, 15, 23, 24, 26, 27, 35, and 36 is moot. Withdrawal of the rejection of claim 1-36 under 35 U.S.C. §102(e) as anticipated by Arganbright is respectfully solicited.

## **II. Formal Matters and Conclusion**

Claims 1, 4-10, 13, 16-22, 25, and 28-34 are pending in the application.

With respect to the rejection of the claims over the prior art, Applicants respectfully submit that the currently amended claims are distinguishable over the cited prior art of record. In view of the foregoing, the Examiner is respectfully requested to reconsider and withdraw the rejection to the claims.

In view of the foregoing, Applicants submit that claims 1, 4-10, 13, 16-22, 25, and 28-34, all the claims presently pending in the application, are in condition for allowance. The Examiner is respectfully requested to pass the above application to issue at the earliest time possible.

Should the Examiner find the application to be other than in condition for allowance, the Examiner is requested to contact the undersigned at the local telephone number listed below to discuss any other changes deemed necessary.

Please charge any deficiencies and credit any overpayments to Attorney's Deposit Account Number 09-0441.

Respectfully submitted,

Dated: August 12, 2008

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